

PARTICIPATING ADDENDUM



MAILROOM EQUIPMENT, SUPPLIES & MAINTENANCE

Led by the State of Arizona

Master Agreement #: ADSPO16-169901

Contractor: **NEOPOST**

Participating Entity: **STATE OF SOUTH CAROLINA**

Contract Number: **4400016603**

The following products or services are not included in this agreement:

- *Check Imprinting/Endorsing equipment*
- *COTS Software*
- *Furniture unrelated to mail handling, for example: desks, chairs, stools, etc.*
- *Installation/Assembly work unrelated to new equipment purchase or lease*
- *Design work*
- *Consulting services*

Master Agreement Terms and Conditions:

1. Scope: This addendum covers the *Mailroom Equipment, Supplies & Maintenance* led by the State of **Arizona** for use by state agencies and other entities located in the Participating State of **South Carolina** authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
2. Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of South Carolina. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

Pursuant to Section 11-35-4810, South Carolina public procurement units, both state and local (as defined by S.C. Code Ann. § 11-35-4610(5), as amended) are authorized to participate in cooperative purchasing.

Participation by local public procurement units (as defined by S.C. Code Ann. § 11-35-4610(3), as amended) in the Master Agreement is optional. By submitting an order and receiving delivery of an item pursuant to the Master Agreement, a local public procurement unit manifests its intent to be and is bound by the Master Agreement, including this addendum, unless the local public procurement unit has entered into a separate Participating Addendum.

Each SC Participant's obligations and liabilities are independent of any other SC Participant's obligations and liabilities. SC Participants are not obligated for any order submitted by another SC Participant and do not incur any liability with regard to any other

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SC Participant. The State Procurement Office is acting solely on behalf of SC governmental bodies and bears no liability for any damages that any party may incur with regard to the Master Service Agreement.

3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	Dave Nagel
Address:	Neopost USA, Inc. 478 Wheelers Farms Rd. Milford, CT 06461
Telephone:	573-489-8860
Fax:	203-301-2600
Email:	d.nagel@neopost.com

Participating Entity

Name:	Patricia Bode, South Carolina State Fiscal Accountability Authority
Address:	1201 Main Street, Suite 600
Telephone:	803-737-3224
Fax:	803-737-0639
Email:	pbode@mmo.sc.gov

4. PARTICIPATING ENTITY MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

☐ No changes to the terms and conditions of the Master Agreement are required.

☒ The following changes are modifying or supplementing the Master Agreement terms and conditions.

5. Definitions:

"Authorized Agent" All authority regarding the conduct of this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the

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Procurement Officer is the only government official authorized to bind the government with regard to this procurement.

"Board" means the Board of the South Carolina State Fiscal Accountability Authority.

"Procurement Officer" means the person, or his successor, identified as such in this Participating Addendum.

"SC Participant(s)" means all participating South Carolina public procurement units (as defined by S.C. Code Ann. § 11-35-4610(5), as amended) or governmental bodies (as defined by S.C. Code Ann. § 11-35-310(18), as amended).

"State" means the Using Governmental Unit(s) identified on the Cover Page.

"You and Your" means contractor.

"Using Governmental Unit" means all South Carolina Public Procurement Units [11-35-4610(5)] eligible to purchase under this contract.

6. Board as Procurement Agent: The Procurement Officer is an employee of the Board of the State Fiscal Accountability Authority, acting on behalf of the Using Governmental Unit(s) pursuant to the Consolidated Procurement Code. Any contracts awarded as a result of this procurement are between the Contractor and the Using Governmental Units(s). The Board is not a party to such contracts, unless and to the extent that the Board is a using governmental unit, and bears no liability for any party's losses arising out of or relating in any way to the contract.
7. South Carolina Prompt Payment Statute: The obligations of any SC Participant are governed by Section 11-35-45 of the South Carolina Code of Laws, if the participant is a "governmental body," as that term is defined in Section 11-35-310(18).
8. SC Registered Distributor: Vendor agrees to distribute its products to South Carolina governmental bodies through vendors registered with the South Carolina Secretary of State as an authorized South Carolina vendor <http://www.scbos.com>.
9. Iran Divestment Act - Certification:
 - (a) The Iran Divestment Act List is a list published by the Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: <http://procurement.sc.gov/PS/PS-iran-divestment.phtm>(.) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to enter into a participating addendum with you.

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(b) By signing this addendum, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List.

(c) You must notify the Procurement Officer immediately if, at any time before posting of a participating addendum, you are added to the Iran Divestment Act List.

10. Iran Divestment Act – Ongoing Obligations:

(a) You must notify the procurement officer immediately if, at any time during the contract term, you are added to the Iran Divestment Act List.

(b) Consistent with Section 11-57-330(B), you shall not contract with any person to perform a part of the Work, if, at the time you enter into the subcontract, that person is on the then-current version of the Iran Divestment Act List. [07-7A072-1]

11. Open Trade: During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [07-7A053-1]

12. Choice of Law: This PA is established as a term contract (as defined in Section 11-35-310(35)) available for use by all South Carolina public procurement units (as defined in Section 11-35-4610(5)). Use by state governmental bodies (as defined in Section 11-35-310(18)), which includes most state agencies, is mandatory except under limited circumstances, as provided in Section 11-35-310(35). See clause entitled "Acceptance of Offers 10% Below Price." Use by local public procurement units is optional. Section 11-35-4610 defines local public procurement units to include any political subdivision, or unit thereof, which expends public funds. Section 11-35-310(23) defines the term political subdivision as all counties, municipalities, school districts, public service or special purpose districts.

The contract, any dispute, claim, or controversy relating to the contract, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina.

13. Choice-of-Forum. All disputes, claims, or controversies relating to the contract shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. (2) Service of Process. Contractor consents that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the contract; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided in the contract or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.

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14. No Indemnity or Defense: Any term or condition is void to the extent it requires the State to indemnify, defend, or pay attorney's fees to anyone for any reason. [07-7A045-2]
15. Payment & Interest:
(a) The State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check. (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding.
16. Code of Conduct: When Contractor employees are working on-site, the Contractor agrees to follow and enforce SC Code of Conduct Policy. If Contractor is working at facilities controlled by other State agencies, Contractor agrees to follow and enforce the Code of Conduct Policy of these other State agencies when Contractor is providing services at these facilities under provisions of this contract. The Contractor will assure that each on-site Contractor employee under Contractor's supervision receives a copy of such Code of Conduct. Upon request, SC Department of Technology agrees to provide Contractor with a copy of any applicable codes of conduct. If a Contractor or Subcontractor is working at any State agency which has a Code of Conduct applicable to this Contract, the Project Manager will provide the Contractor with a copy in advance of the Contractor's on-site contract services performance.
17. Publicity: Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer. [07-7A060-1]
18. CISG: The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement. [07-7B030-1]

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19. Statewide Term Contract – Contract Limitations: No sales may be made pursuant to this contract for any item or service that is not expressly included in the Scope. No sales may be made pursuant to this contract after expiration of this contract. Violation of this provision may result in termination of this contract and may subject contractor to suspension or debarment.
20. Relationship Of Using Governmental Units: Each Using Governmental Unit's obligations and liabilities are independent of every other Using Governmental Unit's obligations and liabilities. No Using Governmental Unit shall be responsible for any other Using Governmental Unit's act or failure to act. [07-7B210-1]
21. Item Substitution: No Substitutes will be allowed on Purchase Orders received from South Carolina procurement units without written permission from the issuing procurement unit.
22. Administrative Fee: Procurement Services (PS) issues and maintains State term contracts for the benefit of all South Carolina state and local public entities. State term contracts allow all public entities to maximize their purchasing power by aggregating their requirements and to benefit from increased efficiencies in the acquisition process. In order to maintain and enhance the quality and quantity of its State term contracts, each participating public procurement unit will be assessed an administrative fee. Accordingly, a public procurement unit (as defined in S.C. Code Ann. § 11-35-4610(5)), by participating in this contract, owes (PS) an administrative services fee ("fee"). Participating public procurement units shall pay the fee to contractor as a part of the contract price. Contractor is responsible both for collecting the fee at the time of billing and for remitting the fee to PS. The fee to be collected by the contractor constitutes a debt by the contractor to PS. Contractor shall factor the fee into its contract pricing and shall not separately itemize or invoice for the fee.

For each reporting period, Contractor shall pay to PS a fee equal to one (1%) percent of the total dollar amount (excluding sales taxes and adjusted for credits or refunds) of catalog purchases made by any public procurement unit from Contractor pursuant to this contract.

(a) As used in this clause, the term "reporting period" means each full calendar quarter (Jan. -- Mar., Apr. -- Jun., Jul. -- Sep., and Oct. -- Dec.) and any remaining periods less than a full calendar quarter during the term of this contract. For each reporting period, contractor shall report to PS its total sales pursuant to this contract for the period and shall remit the fee to the PS Reports Manager. Payment for each reporting period is due no later than the last day of the month immediately following the end of the reporting period (Example: payment for the reporting period ending March 31 is due April 30). If the amount due for a reporting period is less than \$10.00, no payment is required. The procurement officer will provide contractor an information packet, including a detailed explanation of reporting and payment requirements, within fifteen (15) calendar days following contract award. You may contact the Reports Manager at:

Procurement Services Division
Attn: Reports Manager

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1201 Main Street, Suite 600

Columbia, SC 29201

Phone: (803) 737-0600 (ask to speak to the Reports Manager)

(b) Contractor shall submit a usage report for each reporting period, even if no payment is due for the reporting period. The usage report shall include any information requested by PS to verify the amount due. At a minimum, each usage report shall reflect the following information for the applicable reporting period: contractor's name, contract number, contract description, reporting period/quarter, total dollar value of sales (excluding sales taxes and showing any adjustments for credits or refunds), total number of units (if practicable), and the number, date, and amount of contractor's check to PS. Unless otherwise specified by the reports manager, the usage report shall be submitted electronically according to instructions in the information packet. If the reports manager requires the contractor to provide a more detailed usage report, the reports manager will work directly with the contractor to determine the appropriate content and format of the report.

(c) PS or its authorized representatives shall be afforded access to contractor's records (including, without limitation, bank statements, deposits, checks; invoices; correspondence; ledgers; receipts; transmittals) in order to audit all transactions involving goods sold, work performed, or fees due pursuant to this contract, consistent with paragraph 24 of the Master Agreement. PS agrees not to disclose any material discovered or produced during the audit that the contractor reasonably designates as proprietary or confidential. If the audit indicates that contractor has materially underpaid PS, then contractor shall remit the balance found to be due (including any amounts assessed pursuant to subparagraph (d)) and reimburse PS for all costs of the audit.

(d) Payments of the fee which are due and unpaid by the contractor (including amounts disclosed by audit) shall bear simple interest from the date due until paid unless paid within 30 calendar days of becoming due. The interest rate shall be the highest prime rate (as published in The Wall Street Journal) plus 2% per annum (unless a higher rate is provided by law, but in no event be greater than the maximum interest rate permitted by law), shall be variable, and shall be adjusted effective at the close of business on the day of any change in the prime rate. In addition to the fee and interest, contractor agrees to pay to PS its reasonable expenses of collection, including costs and attorneys' fees (and fees for inside counsel), whether or not PS commences legal action.

(e) If the contractor fails to (i) timely submit accurate usage reports; (ii) remit to PS the fee when due; or (iii) promptly and fully cooperate with an audit request, the State may, without prejudice to any other remedy available to the State, take any one or more of the following actions:

- (1) order the contractor to not accept any further orders under the contract until the cause for such order has been eliminated;
- (2) terminate this contract;
- (3) order the contractor to not accept any further orders under any other statewide term contract;
- (4) terminate the contractor's award of any other statewide term contract.

(f) For purposes of this clause, PS is intended as a third-party beneficiary of this contract.

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Reports MUST reference the SC Participating number 4400016603 to assure accurate accounting of purchases under this contract and reported administrative fees. Each remittance will include the period covered and the contract number.

23. Taxes: Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the contractor.
24. Lease Agreements: Any/all leasing must be contracted through the South Carolina IT Equipment Leasing contract. Detail of the contract may be found at <https://procurement.sc.gov/files/contracts/IT%20Leasing%20june%2022.pdf>. The primary contact for this contract is:
- Michael Dalton
1201 Main St, Ste 600, Columbia SC 29201
Phone: 803-737-4994
Email: mdalton@mmo.sc.gov
25. Subcontractors: All contactors, dealers, and resellers authorized in the State of South Carolina as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
26. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.
27. Ordering Instructions: All purchase orders issued by purchasing entities within the jurisdiction of this Addendum must reference the Participating State contract number 4400016603.

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IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity: State of South Carolina	Contractor: Neopost USA Inc.
Signature: 	Signature: 
Name: Patricia Bode	Name: Kevin O'Connor
Title: Procurement Manager	Title: Vice President, Marketing
Date:	Date: 8/11/2017

For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:	Ted Fosket
Telephone:	(907) 723-3360
Email:	tfosket@naspovaluepoint.org

[Please email fully executed PDF copy of this document to

PA@naspovaluepoint.org

to support documentation of participation and posting in appropriate data bases.]



State of South Carolina

Participating Addendum Amendment

Contract Number: 5000013253
Procurement Officer: Michael Dalton
Phone: 803-737-4994
E-Mail Address: mdalton@mno.sc.gov
Address: 1201 Main Street
Suite 600
Columbia, SC 29201

DESCRIPTION: NASPO ValuePoint Cooperative Purchasing Program

USING GOVERNMENTAL UNIT: Statewide

CONTRACTOR'S NAME AND ADDRESS: Neopost USA Inc.
478 Wheelers Farms Road
Milford, CT 06461

TYPE OF CHANGE:

- ☐ Change to Contract Scope of Work
- ☐ Change to Contract Pricing Pursuant to Existing Contract Clause.
Clause Name _____ Clause No. _____
- ☐ Administrative Change to Contract (such as changes in paying office, name of Agency Contract Administrator, etc.)
- ☒ Other Change

IMPORTANT NOTICE:

Contractor is required to sign this document and return one (1) copy to the procurement officer named above by the following date: March 3, 2017.

DESCRIPTION OF CHANGE / MODIFICATION:

Presidio Technology Capital, LLC ("Master Lessor") and the Information Technology Management Office, an agency of the State of South Carolina ("Master Lessee") have entered into a Master Equipment Lease Agreement dated as of February 8, 2017 (the "Master Lease") under which lessors will from time to time lease equipment (the "Equipment") sold by Contractor to Using Government Unit under the agreement referenced above (the "Purchase Agreement") from Master Lessor, its successors or assigns, under a lease schedule incorporating the terms of the Master Lease (a "Lease"). The Using Government Unit to whom Equipment is to be delivered under the Purchase Agreement is herein called the "Lessee."

For purposes of removing doubt as to the intention of the parties and to clearly delineate certain rights with respect to the Purchase Agreement, the following is added to the Purchase Agreement, superseding any contrary language therein:

1. It is the express intention of all parties that the Equipment shall be sold to and owned by the Lessee and that each Lease constitute a financing and not a true lease for legal, tax and other purposes.
2. Solely as a convenience to the parties, Master Lessor may issue purchase orders to you on behalf of a Lessee and you shall send your invoice to Master Lessor, showing Lessee as purchaser. Nothing in such purchase order or any other documentation executed in connection with the Master Lease or any Lease obligates Master Lessor to you or relieves the Lessee of its obligations, if any, under any Purchase Agreement. You will look solely to the Lessee for any and all performance under the Purchase Agreement.
3. Master Lessor has agreed with Lessee to make payments for certain items of Equipment upon their acceptance by the applicable Lessee, but such agreement is solely for the benefit of Master Lessee and the Lessees and neither you nor any other person is an intended beneficiary.
4. Master Lessee, and each Lessee by accepting Equipment and authorizing Master Lessor to make payment as required under the Purchase Agreement, assigns its rights, but not its obligations under the Purchase Agreement to Master Lessor, effective only upon Master Lessor's acquiring ownership of the Equipment either following an Event of Default or upon voluntary transfer of ownership by Lessee at the end of the Lease Term.
5. Master Lessor's rights hereunder and under the Master Lease may be assigned to a bank, financial institution or other person qualified to be Lessor under the Master Lease. You may rely on any notice from Master Lessor as to the identity of such Lessor.
6. Master Lessor is the only entity authorized to lease or finance IT equipment and software products procured through contracts awarded by Master Lessee to serve as an open-ended public procurement. E.g. a government wide, a statewide term, or a multi-agency contract, as certified by an officer of Master Lessee. Postage meters may not be leased or sold to Using Government Unit and may only be rented pursuant to the terms of a Purchase Agreement, and are therefore exempt from this condition.

Except as provided herein, all terms and conditions of the Contract referenced above remain unchanged and in full force and effect.

SIGNATURE OF PERSON AUTHORIZED TO EXECUTE THIS CHANGE ORDER & CERTIFICATE ON BEHALF OF CONTRACTOR:

By: _____
(authorized signature)

Kevin O'Connor

(printed name of person signing above)

Its: VP Marketing
(title of person signing above)

Date: 3/1/2017

SIGNATURE OF PERSON AUTHORIZED TO EXECUTE / ISSUE THIS CHANGE ORDER / CONTRACT MODIFICATION ON BEHALF OF USING GOVERNMENTAL UNIT:

By: _____
(authorized signature)

MICHAEL DALTON

(printed name of person signing above)

Its: PROCUREMENT OFFICER
(title of person signing above)

Date: 3/13/17